

Kimberly A. Klock
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5696 Fax 610.774.6726
KKlock@pplweb.com



CONFIDENTIAL

December 30, 2015

FEDERAL EXPRESS

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation Amendment to the Conservation Service
Provider Contract with Resource Action Programs, L.L.C.
Docket No. M-2012-2334388**

Dear Secretary Chiavetta:

Enclosed is a redacted copy of the executed **CONFIDENTIAL** Amendment Number 3 ("Amendment 3") to the Conservation Service Provider ("CSP") contract between PPL Electric Utilities Corporation ("PPL Electric") and Resource Action Programs, L.L.C. ("RAP").

RAP became a Pennsylvania Public Utility Commission ("Commission") registered CSP on September 21, 2012. RAP became a re-registered CSP on October 9, 2014 (effective September 21, 2014) (Docket No. A-2012-2298152).

PPL Electric and RAP entered into a CSP contract effective February 28, 2013, for RAP to develop and manage the E-Powerwise Program as part of PPL Electric's Energy Efficiency and Conservation Plan ("E-Powerwise Contract"). On April 12, 2013, PPL Electric filed the E-Powerwise Contract with the Commission, together with the Scope of Work, a letter of intent, a summary of Request for Proposal procedures followed in the CSP selection process, and a certificate of insurance. By Secretarial Letter dated May 8, 2013, the Commission approved PPL Electric's CSP contract with RAP.

On April 10, 2014, PPL Electric filed Amendment Number 1 and on July 2, 2015 PPL Electric filed Amendment Number 2 to the E-Powerwise Contract

The purpose of the enclosed **CONFIDENTIAL** Amendment 3 is to, among other things, update the program goals and the work description to include the Wise Home Efficiency Pilot Program.

This **CONFIDENTIAL** Amendment 3 shall be effective as of June 1, 2015, and will continue until May 31, 2016, as set forth in Section 9.1 of the E-Powerwise Contract.

Other than the terms and conditions set forth in the enclosed **CONFIDENTIAL** Amendment 3, all other terms and conditions of the E-Powerwise Contract, as previously amended, will remain in full force and effect.

Should you have any questions regarding this matter, do not hesitate to contact me.

Respectfully submitted,


Kimberly A. Klock

Enclosure

cc: Anthony J. Rametta
Patricia Wiedt
Johnnie E. Simms, Bureau of Investigation & Enforcement (*letter only*)
Tanya J. McCloskey, Office of Consumer Advocate (*letter only*)
John R. Evans, Office of Small Business Advocate (*letter only*)

**Amendment Number 3
to the Pennsylvania Act 129 Services Agreement Number 572291**

This Amendment Number Three ("Amendment 3") is made by and between Resource Action Programs, LLC ("RAP") and PPL Electric Utilities Corporation ("PPL") this 10th day of December, 2015. This Amendment 3 shall be effective as of June 1, 2015 (the "Amendment 3 Effective Date"). RAP and PPL may be referred to in this Amendment 3 individually as a "Party" and collectively as the "Parties."

WHEREAS, RAP and PPL entered into that certain Pennsylvania Act 129 Service Agreement Number 572291 dated February 28, 2013 ("Agreement"); and

WHEREAS, RAP and PPL have agreed to amend the Agreement (as previously amended) to, among other things, provide for the implementation of the Wise Home Efficiency Pilot Program, which is a new pilot program being implemented pursuant to the Phase II Energy Efficiency and Conservation ("EE&C") Plan revisions approved by the Pennsylvania Public Utility Commission ("Commission") by its Opinion and Order entered May 19, 2015, at Docket No. M-2012-2334388.

NOW THEREFORE, in consideration of the respective mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound, RAP and PPL agree as follows:

1. The Amendment Number 1 filed with the Commission on July 2, 2015, shall be referred to hereafter as Amendment Number 2 ("Amendment 2").
2. The second "WHEREAS" clause of Amendment 2 shall be deleted in its entirety and replaced with the following:

WHEREAS, RAP and PPL have agreed to amend the Agreement (as previously amended by Amendment Number One, effective June 1, 2014) to, among other things, increase the Phase II savings targets, increase the number of energy-efficiency kits, and adjust the performance-based compensation schedule per the Phase II EE&C Plan revisions submitted by PPL to the PUC on January 21, 2015, at Docket No. M-2012-2334388.

3. Table 1 of Task 12 ("Energy Savings Goal and Budget") of Schedule 1 of Exhibit A: Scope of Work attached to the Agreement ("Schedule 1") set forth in Amendment 2, shall be deleted in its entirety and replaced with the following new Table 1:

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Table 1: Program Goals – Budget

Program Component	PY5 5/31/14	PY6 5/31/15	PY7 5/31/16	Program Total
Gross Verified Savings Required	1,553	1,797	2,261	5,611
Energy Efficiency Kits	2,700	3,600	5,100	11,400
Estimated budget cost Program Year	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

Budget for Program	
Set Up	\$ [REDACTED]
Kit Measures	\$ [REDACTED]
Program Material	\$ [REDACTED]
Agency Training	\$ [REDACTED]
Agency Incentive / Direct Mail Marketing Budget	\$ [REDACTED]
Program Implementation Services	\$ [REDACTED]
Shipping Direct Material	\$ [REDACTED]
Shipping Direct Mail	\$ [REDACTED]
Wise Home Efficiency Pilot Program	\$ [REDACTED]
TOTAL	\$ [REDACTED]

4. Task 16 shall be added to Schedule 1 after Task 15 as follows:

16. Wise Home Efficiency Pilot Program:

- Develop and produce direct install measures for manufactured homes.
- Install energy savings measured from the list of direct install measures set forth in Table 1 of Task 16.
- Provide outreach services to solicit for enrollment of 600 Manufactured Homes customers into the PPL Wise Home Efficiency Pilot Program.
- Solicit Manufactured Home Parks to participate in the program.
 - a. Create an approved website for enrollment in the program.
 - b. Create approved marketing material to be mailed to solicit participation in the program.
 - c. Provide education material describing the direct install measures and how to install them.
 - d. Provide enrollment information to Cadmus for participant selection.
 - e. Coordinate services with weatherization contractors.
 - f. Complete weatherization assignments.
 - g. Provide weatherization results feedback to Cadmus.
 - h. Collect participants' survey responses and provide those responses to Cadmus.
 - i. Provide call center and customer satisfaction service.
- Provide weatherization services for:
 - a. Up to 200 full weatherization participants. Services include, but are not limited to:
 - i. Direct install energy saving measures set forth in Table 1 of Task 16 in the areas set forth in Table 2 of Task 16.
 - ii. Weatherization infiltration and insulation measures inside the home.
 - iii. Weatherization insulation measures outside the home.
 - iv. Blower door testing.
 - v. Combustion testing if needed (per the technical standards set forth by the Building Performance Institute).
 - b. Up to 200 partial weatherization participants. Services include:
 - i. Direct install energy saving measures set forth in Table 1 of Task 16 in the areas set forth in Table 2 of Task 16.
 - ii. Weatherization infiltration and insulation measures inside the home.

**Table 1: Direct Install Measures in
Wise Home Efficiency Pilot Program Kit**

Wise Home Efficiency Pilot Program Kit Measures
Two 10.5-Watt LED ENERGY STAR® Bulbs
2 Deluxe window insulator kit
1 Smart Strip 7 prong
1 1.75 GPM showerhead
1 Kitchen faucet aerator
1 Carbon monoxide monitor (Fossil fuel water heating)
1 Air conditioner cover and gap sealer.
1 Pack of outlet gaskets
1 Closed cell foam weather strip
1 V strip weather strip
1 Door caddie
2 Door corner pads
Rope caulk
Silicone caulk
Pipe insulation
Energy educational material

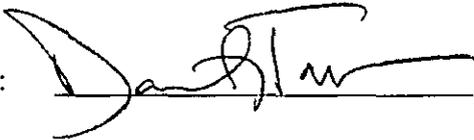
**Table 2 : List of available areas and measures for
Full and Partial Weatherization.**

Direct Install Components	Full treatment	Partial treatment	Other
Direct Install Measures	*	*	
Inside Infiltration	*	*	
Plumbing penetrations	*	*	
Windows	*	*	
Doors	*	*	
Registers	*	*	
Sinks	*	*	
Toilets	*	*	
Moldings	*	*	
Blow door testing	*		
Assess outside & under the house	*		
Gap at heating system connections	*		
Duct leakage	*		
Crawl space connector	*		
Crossover ducts	*		
Plenum	*		
Road barrier	*		
Supply leakage	*		
Takeoff	*		
Tilt Out	*		
Carbon Monoxide monitor			Homes with fossil fuel hot water.
Combustion testing	*		Homes with fossil fuel heat.

6. Any capitalized terms that are used but not defined in this Amendment 3 shall have the meanings ascribed to them in the Agreement. Except as otherwise provided in this Amendment 3, all other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect. The Agreement, as amended herein, constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.

IN WITNESS WHEREOF, the Parties, intending to be legally bound, have caused this Amendment 3 to be executed by their respective duly authorized representatives as of the date first set forth above.

Resource Action Programs, LLC

By: 

Name: Dan Tarrence

Title: Executive Vice President

PPL Electric Utilities Corporation

By: 

Name: JAMES S. PRICE

Title: Customer Exp. Director

ORIGIN ID: ABEA (610) 774-4254
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PPL CORPORATION
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ALLENTOWN, PA 18101
UNITED STATES US

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PA PUBLIC UTILITY COMMISSION
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HARRISBURG PA 17120

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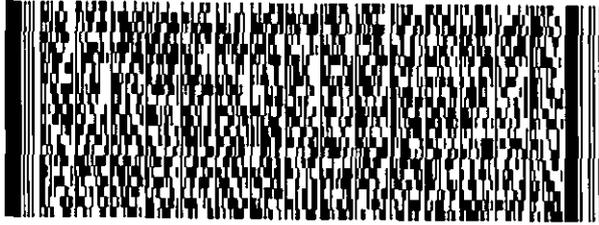
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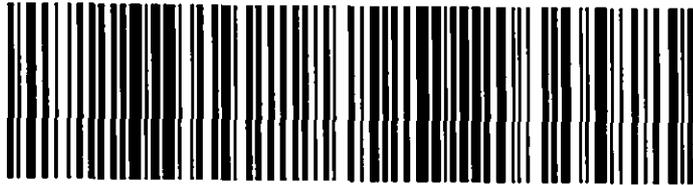
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